

Southwestern Bell

DOCKET FILE COPY ORIGINAL

DOCKET FILE COPY ORIGINAL
EX PARTE OR LATE FILED

RECEIVED

February 25, 1993

FEB 25 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

William A. Blase, Jr.
Director
Federal Regulatory

Ex Parte

Ms. Donna Searcy, Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

Re: CC Docket No. 92-77 - Billed Party Preference

Dear Ms. Searcy:

In accordance with Commission rules governing ex parte presentations, please be advised that, today, Don Little and the undersigned met with Brian Fontes and Kathleen Abernathy of Chairman Quello's office, Linda Oliver of Commissioner Duggan's office and Gary Phillips and Mark Nadel of the Policy and Program Planning Division to discuss issues relating to Billed Party Preference. Attached is a handout provided in the meeting.

If you have any questions, please let me know.

William A. Blase Jr.

Sincerely,

Attachment

cc: Kathleen Abernathy
Brian Fontes
Madelon Kuchera
Linda Oliver
Cheryl Tritt
Kathleen Levitz

James Schlichting
Gregory Vogt
Colleen Boothby
Gary Phillips
Mark Nadel

1667 K Street, N.W.
Suite 1000
Washington, DC 20006

Phone 202 293-8560

No. of Copies rec'd
LISTA BODE

0+4

RECEIVED

FEB 25 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

SOUTHWESTERN BELL TELEPHONE COMPANY

FCC Ex-Parte

CC Docket No. 92-77

February 25, 1993

CC DOCKET 92-77 TOPICS:

Billed Party Preference (92-77 - Phase II)

- Service Description
- Service Benefits
- Service Design
- IXC Participation
- Implementation Costs
- Cost Recovery
- Implementation Intervals

0+ Public Domain (92-77 - Phase I)

- Commission Decisions
- Impacts
- SWBT PFR

BPP SERVICE DESCRIPTION

BPP is a service concept which would replace presubscription routing as the means for providing equal access on interLATA calls dialed 0+ and 0-.

BPP would apply in the following manner:

- All service providers (BOCs, ITCs, IXC's, COCOTs, CAPs, etc.)
- All originating station types (bus/res/coin/hotel/etc.)
- All 0+ and 0- interLATA calls
- All end offices (equal access and non-equal access)
- All alternate billing types (collect, third number, calling cards/commercial credit cards)

BPP SERVICE BENEFITS

- ADDRESSES CUSTOMER SERVICE ISSUES
 - Dialing convenience
 - Billed (paying) party determines IXC
 - Originating customer chooses billing mechanism
 - IXC/OSP rates
 - IXC/OSP practices
- ACCOMPLISHES THE STATED GOALS OF THE COMMISSION
 - "free customers from charges they did not agree to"
 - "free customers from practices that prevent them from using the Operator Service Provider (OSP) of their choice"

BPP SERVICE BENEFITS (Cont'd)

- **ACCOMPLISHES THE STATED GOALS OF THE COMMISSION (Cont'd)**
 - "foster a marketplace environment in which operator service providers compete based on merits of their service, rather than on commission payments"
- **STIMULATES COMPETITION IN THE INTEREXCHANGE AND CALLING CARD MARKETS**
 - 0+ dialing will be extended to all IXC's--market place parity for network access and card usage
 - 0+ interLATA calling from all phones
 - Facilitates mutual card honoring arrangements between LECs and IXCs

BPP SERVICE DESIGN

Summary of Dialing Plan and Carrier ID

<u>Dial Code</u> (InterLATA Only)	<u>Destination</u>		
	<u>1+PIC</u>	<u>Dialed (xxx) IC</u>	<u>LEC</u> <u>OSS</u>
10XXX+1+		N	
10XXX+0(+or-)		N	
10XXX+01+		N	
10XXX+011+		N	
1+	N		
011+	N		
00-	N		
0+	C		B
0-			N ¹
01+	C		B

Legend:

N = No Change (Current & BPP)

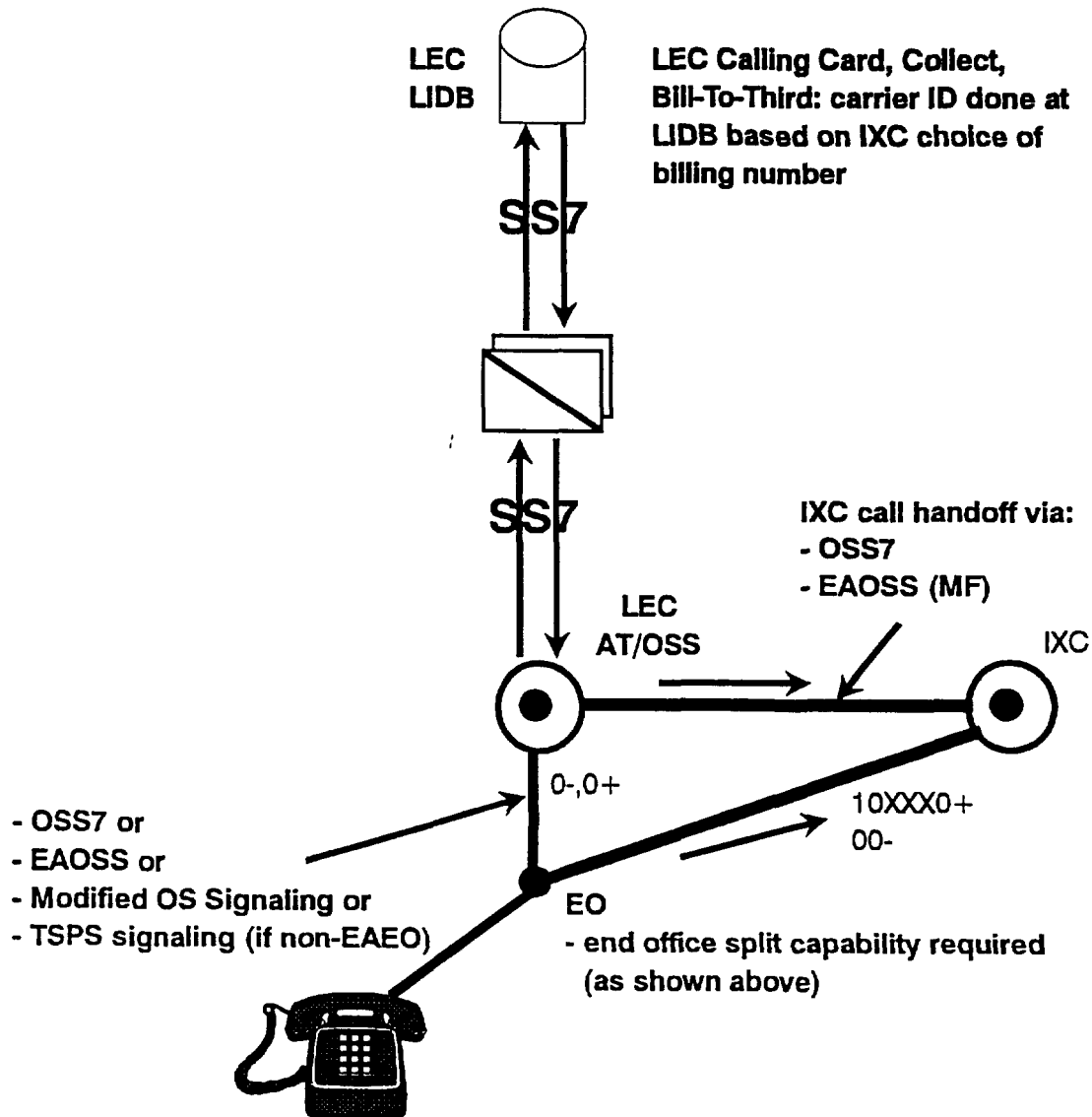
N¹ = No Change (Current & BPP) Except for
"Redialed" 0- Traffic

C = Current

B = BPP

BILLED PARTY PREFERENCE

FCC
CC Docket No.
92-77



BPP Call Scenarios (InterLATA Calls):

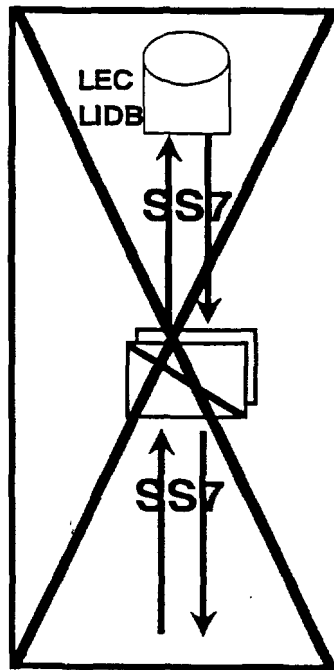
LEC Calling Card: 0+10D <BONG> NPA-NXX-XXXX-PINN

Collect: 0+10D <BONG> "collect billing information"

Bill-To-Third: 0+10D <BONG> "bill-to-third billing information"

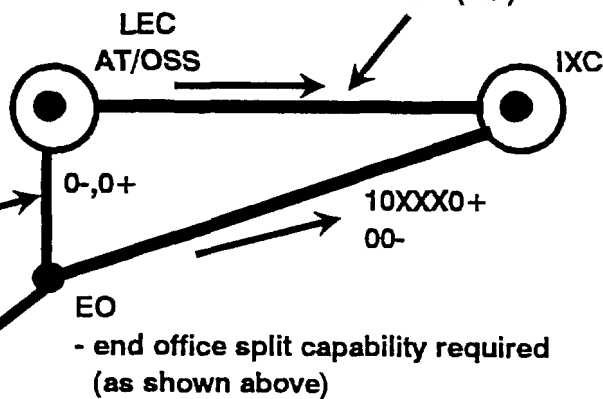
BILLED PARTY PREFERENCE

FCC
CC Docket No.
92-77



891 & CIID: carrier ID done at OSS based on instructions from IXC card issuer

- OSS7 or
- EAOSS or
- Modified OS Signaling or
- TSPS signaling (if non-EAEO)

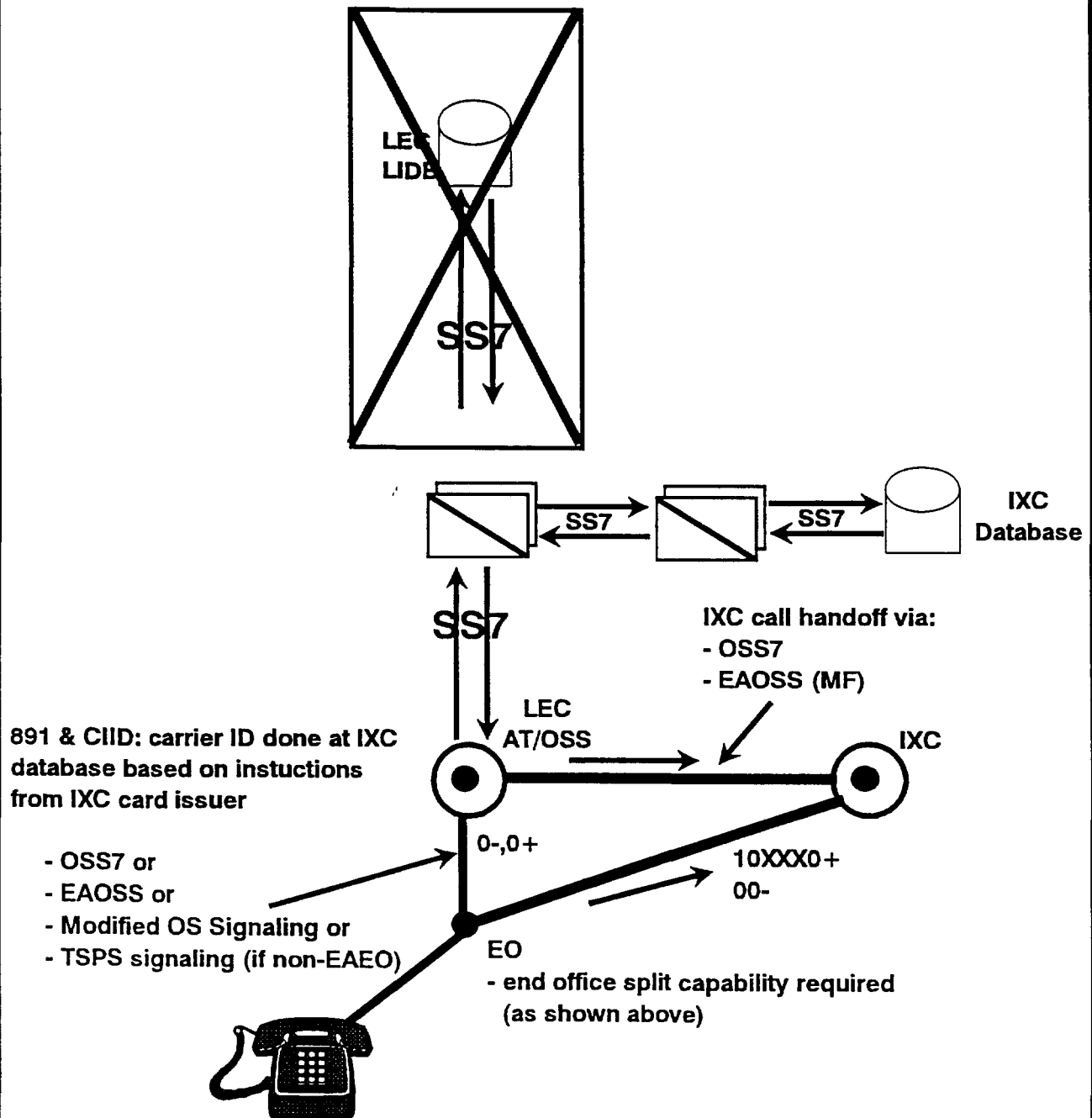


BPP Call Scenarios (InterLATA Calls):

891: 0+10D <BONG> 891-III-AAAAAAAAAAAA-L-PINN
CIID: 0+10D <BONG> NXX-0/1XX-XXXX-PINN

BILLED PARTY PREFERENCE

FCC
CC Docket No.
92-77



BPP Call Scenarios (InterLATA Calls):

891: 0+10D <BONG> 891-III-AAAAAAAAAAAA-L-PINN
CIID: 0+10D <BONG> NXX-0/1XX-XXXX-PINN

BPP IXC PARTICIPATION

- KEY SWBT ASSUMPTIONS
 - IXC ABS Calls Are 64% of Total ABS Market
 - IXC ABS Call Mix and Automation
Acceptance Equal to SWBT Experience
- IXC REQUIREMENTS
 - Promote 0+ Dialing
 - Issue Cards in CLID or 891 Formats
- SWBT SENSITIVITY ANALYSIS
 - Declining % Access Code Dialing by all
IXCs
 - Declining % Access Code Dialing by all
IXCs except AT&T; AT&T Equal 20%
 - Declining % Access Code Dialing by all
IXCs except AT&T; AT&T Equal 50%

BPP IMPLEMENTATION COSTS

- SWBT Estimates BPP Will Require \$161M to Implement for its Service Areas (SWBT Reply Comments August 27, 1992)
 - Primary Non-Recurring Capital Cost Components
 - ▲ End-Office Signaling Upgrades
 - ▲ AABS System Changes
 - ▲ Trunk Terminations and Rearrangements
 - Primary Non-Recurring Expense Cost Components
 - ▲ LIDB Load
 - ▲ Customer Solicitation
 - ▲ End-Office Signaling Upgrades
 - ▲ OSS Signaling Upgrades
 - ▲ OSS BPP Feature Functionality
 - ▲ AABS System Changes
 - Primary Recurring Expense Cost Component
 - ▲ Operator Wages

BPP COST RECOVERY

- IXC Service Participation is Critical
- Cost Recovery Structure Should Discourage Continued Access Code Dialing
- FCC has Indicated "New Service" Treatment
- Views of State Commissions are Needed

BPP IMPLEMENTATION INTERVALS (STANDARD CASE)

<u>Milestone/Activity</u>	<u>Projected Date</u>
FCC Order	7-1-93
	(18 months)
Vendor Trial (FOA/VO)	1-1-95
	(6 months)
Vendor General Availability	7-1-95
	(12 months)
Industry Implementation Complete	7-1-96
<hr/>	
Total "Standard Case" Months Required From FCC Order	36 Months

0+ PUBLIC DOMAIN (92-77 - PHASE I)

- **DEFINITION**
 - "any carrier issuing a calling card designed to be used with "0+" access would be required to also provide validation and billing service for any other carrier wishing to accept that card" (i.e., "0+" cards would be in the "public domain").
- **COMMISSION DECISIONS**
 - Did not require 0+ Public Domain Implementation
 - Ordered AT&T to instruct its card customers to dial calls using 10288+0 access

0+ PUBLIC DOMAIN (92-77 - PHASE I) (Cont'd)

- **IMPACTS**

- Commission Actions Produce Same Effects as Implementation of 0+ Public Domain Without Requiring 0+ IXC Card Issuers To Make Data Available
- Customer Confusion
- Negative Impacts to Mutual Card Honoring Arrangements
- Customer Dissatisfaction/Confusion

- **SWBT PFR**

- Requests Commission to Modify its Instructions to AT&T Regarding Customer Education Materials
 - ▲ Telephone must not be presubscribed to AT&T in order to Bill Local and IntraLATA Calls to AT&T Cards
 - ▲ Customer Need Not Only Listen for "AT&T" in order to place Local and IntraLATA Calls